## INCOMING TELEGRAM Department of State (5)

97551 3 CONFIDENTIAL 6 Action CCICAU! EUR NOVEMBER 18. 1966 8:06 PM RECD: UNE OTTAWA FROM: BR SS G SECSTATE WASHDC HRICPS ACTION: SP SC DIFBIS L Н P US IA CONFIDENTIAL OTTAWA 837 NSC INR CONSERVATIVE NATIONAL MEETING ĄI D ۵۵ NSA OTTAWA 825 DOD 1. CONSERVATIVE MP GORDON CHURCHILL, ONE OF DIEFENBAKER'S CLOSEST LIEUTENANTS, TOLD PRESS YESTERDAY HE HAD COLLECTED RSR SIGNATURES OF PLEDGES FROM OVER SEVENTY CONSERVATIVE MPS FOR WHAT HE TERMED DECLARATION LOYALTY AND SUPPORT FOR DIEFENBAKER. THE CONSERVATIVE CHIEF HAS MADE NO STATEMENT RE HIS FUTURE SINCE HE APPEARED AT PARTY CONVENTION ON MORNING OF LAST DAY. HE RETURNED TO COMMONS TODAY AFTER TWO-DAY ABASENCE. 2. FULL ANALYSIS OF ULTIMATE CONSEQUENCES OF PARTY'S NATIONAL MEETINGS'S ACTION MUST AWAIT FURTHER DEVELOPMENTS. DIEFENBAKER CERTAINLY SUFFERED SERIOUS AND POSSIBLY CON-CLUSIVE TRIMMING. HIS STRATEGY WAS FAULTY. TACTICS WHICH HIS SUPPORTERS ADOPTED IN PREPARING FOR CONTEST WITH CAMP FORCES WERE HEAVY-HANDED AND INEPT. HIS GREATEST SINGLE MISTAKE WAS TO PERMIT ARTHUR MALONEY TO RUN AGAINST CAMP FOR PARTY PRESIDENCY. IN SO DOING, DIEFENBAKER OFFERED

CLEAR CHOICE THAT CAMP HAD BEEN UNABLE TO DEVISE. HAD DIEFENBAKER PERMITTED CAMP'S RE-ELECTION WITH NO CONTEST AND GRACEFULLY ACCEPTED REVIEW PARTY LEADERSHIP, IT QUITE POSSIBLE CONSERVATIVE CHIEF COULD HAVE AVOIDED SPLIT WHICH WENT AGAINST HIM, CONTINUED RETENTION OF ALMOST SAME HOLD OVER PARTY, AND PUT OVER FIGHT WITH REBELS TO OTHER PLACES AND TIMES. BUT ONCE CAMP'S FORCES HAD DEFEATED MALONE THEY WERE ABLE TO CONSOLIDATE THEIR POSITION AND RESTRICT

FOR COORDINATION WITH STATE CONFIDENTIAL

DIEFENBAKER'S MANDATE AT THIS MOMENT.

DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCES METHODS EXEMPTION 3B2B NAZI WAR CRIMES DISCLOSURE ACT DATE 2003 2006

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- 3. DIEFENBAKER'S SPEECH TO P/RTY WAS SINGULARLY BAD PER-FORMANCE. LIKE FRUSTRATED FISHERMAN, HE CAST LURE AFTER LURE INTO POOL FROM WHENCE HE HAD TAKEN HIS PAST PRIZES, BUT HIS DRY FLY HAD NO ATTRACTION IN WATERS PREVIOUSLY MUDDIED. COMPLETE FAILURE OF HIS ONCE SURE POLITICAL TOUCH WAS MOST STRIKING ILLUSTRATION OF HIS LOSS OF RAPPORT WITH MAJORITY OF PARTY.
- 4. IF DIEFENBAKER REJECTS LIMITED MANDATE HIS PARTY HAS GIVEN HIM-- SCEPTER OF LEADERSHIP FOR CENTENNIAL YEAR AT LEAST-- AND DETERMINES TO CONTINUE AGAINST HIS OPPOSITION, THERE IS ALMOST NO LIMIT TO AMOUNT OF MISCHIEF HE CAN PERPETRATE. WERE HE TO BECOME EVEN LESS RISPONSIBLE THAN HE RETOFORE IN THE COMMONS, IT IS EVEN POSSIBLE HE COULD FORCE THE COUNTRY INTO UNWANTED ELECTION. DIEFENBAKER LIKE SAMPSON MAY BE UNABLE SAVE HIMSELF, BUT MAY BE CAPABLE OF PULLING TEMPLE DOWN.
- 5. THERE IS NO LEADER ON HORIZON AT MOMENT (SAVE POSSIBLY ALVIN HAMILTION) WHO APPEARS TO HAVE WILLINGNESS AND POWER AND BOTH SUPPORT FROM DIEFENBAKER AND ABSENCE OF FEAR OF HIM TO CLOSE SCHISM WITHIN DEEPLY DIVIDED CONSERVATIVE PARTY. DEPTH OF FEELING WAS WELL ILLUSTRATED BY THE COMMENTS OF SOME CONSERVATIVE MPS YESTERDAY THAT IN CAUCUS AND ON CONVENTION FLOOR THREATS OF PHYSICAL VIOLENCE WERE PLENTIFUL. MUCH TIME WILL BE REQUIRED FOR PARTY TO REACH CONSENSUS ON ANY NEW LEADER. DIEFENBAKER DELIBERATELY REJECTED HIS OWN OPPORTUNITIES TO PLAY THE PEACEMAKER. IF HE IS CANDIDATE HIMSELF AT NEXT LEADERSHIP CONVENTION, IT IS IMPOSSIBLE TO NOW TO PREDICT WHO MIGHT AGREE TO OPPOSE HIM. THERE IS STILL NO ALTERNATE LEADER WHO HAS SUPPORT OF ALLANTIDIEFENBAKER FACTIONS.

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6. CONSERVATIVES SEEM LIKELY TO SUFFER FURTHER TROUBLES BEFORE THEY CAN BEGIN TO REBUILD THEIR POWER. LATEST GALLUP POLL TAKEN JUST BEFORE CONVENTION SHOWED THEY HAD DROPPED TO NEW LOW OF POPULAR SUPPORT -- TIED WITH NDP WITH 26 PERCENT OF COMMITTED VOTE, SEVENTY-SEVEN PERCENT OF SAMPLE HAVING EXPRESSED AN OPINION. COLUMNIST PETER NEWMAN IS PROBABLY CORRECT WHEN HE CONCLUDES THAT CONTINUED COMSERVATIVE DONNYBROOKS ASSURE LIBERALS CONTINUED PLACE IN POWER.

GP-3.

BUTTERWORTH .